



DEPARTMENT OF AGRICULTURE

Rural Housing Service

7 CFR Part 3560

[Docket No. RHS-22-MFH-0024]

Temporary Change in the Tenant Recertification Requirements

AGENCY: Rural Housing Service, USDA.

ACTION: Notice.

SUMMARY: The Rural Housing Service (RHS or the Agency), a Rural Development (RD) agency of the United States Department of Agriculture (USDA), is announcing a temporary exception to the tenant recertification requirements for the Section 515 Rural Rental Housing (RRH) Program and Section 514 Off-Farm Labor Housing (FLH) Program.

DATES: The temporary exception to the tenant recertification requirements will be effective on January 1, 2023, and expire on December 31, 2023.

FOR FURTHER INFORMATION CONTACT: Michael Resnik, Acting Director, Multi-Family Housing Asset Management Division, RHS, U.S. Department of Agriculture via email: michael.resnik@usda.gov, or by phone 202-430-3114.

SUPPLEMENTARY INFORMATION:

Authority

Section 515 Rural Rental Housing Direct Loans Program (42 U.S.C. 1485 — Authorized under the Housing Act of 1949 (Pub. L. 81-171), and Pub. L. 102-550. Section 514 Farm Labor Housing Direct Loans and Grants Program (42 U.S.C. 1484) — Authorized under Title V of the Housing Act of 1949 (Pub. L. 81-171).

Background

The RHS is committed to helping improve the economy and quality of life in rural areas by offering a variety of programs. The Agency offers loans, grants, and loan guarantees to help

create jobs, expand economic development, and provide critical infrastructure investments. RHS also provides technical assistance loans and grants by partnering with agricultural producers, cooperatives, Indian tribes, non-profits, and other local, state, and Federal agencies.

Multifamily Housing (MFH) assists rural property owners through loans, loan guarantees, and grants that enable owners to develop and rehabilitate properties for low-income, elderly, and disabled individuals and families as well as domestic farm laborers.

Section 514 direct loans are provided to eligible borrowers for the development of on-farm or off-farm housing for farm laborers. Loans may be used to buy, build, improve, or repair housing (including furnishings and related facilities) for farm laborers. The Section 515 multifamily housing program offers direct loans for the development of new, or rehabilitation of existing, rental housing for low-income individuals and families in rural areas.

On October 13, 2022, the Social Security Administration announced an 8.7% increase in Social Security and Supplemental Security Income (SSI) benefits in 2023. According to the Social Security Administration, Social Security benefits will increase by an average of more than \$140 per month starting in January 2023. This increase is due in part to the current inflationary pressures on the economy and a demanding labor market that has dramatically increased salaries, also seen in HUD's average increase of 11-12% in Area Median Income this year.

The regulation at 7 CFR 3560.152(e) requires, among other things, that tenant households must be recertified and must execute a tenant certification form at least annually or whenever a change in household income of \$100 or more per month occurs.

The 8.7% cost-of-living adjustment (COLA) will begin with benefits payable in January 2023. As this would require recertifications for most Social Security recipients, the Agency is temporarily waiving the recertification requirement for tenants whose household income, regardless of income type, has increased by \$100 or more, but less than \$200. Accordingly, during the exception period, tenants will not be required to execute a tenant certification form unless their household income changes by \$200 or more per month. This temporary change also

aligns the MFH program with the current Housing and Urban Development (HUD) regulatory requirement. This is a temporary waiver that will be in place through calendar year 2023, expiring on December 31, 2023.

Temporary Change in Tenant Recertification Requirements

Pursuant to 7 CFR 3560.8, the RHS Administrator may make an exception to any provision of part 3560 or address any omissions provided that the exception is consistent with the applicable statute, does not adversely affect the interest of the Federal Government, and does not adversely affect the accomplishment of the purposes of the MFH programs or application of the requirement would result in undue hardship on the tenants. To alleviate the burden of unnecessary work for management agents and tenants, the following guidance is being provided for interim tenant certifications:

The Agency is temporarily waiving the recertification requirement for tenants whose household income has changed by \$100 or more, but less than \$200 per month. During the period of the waiver, tenant households must be recertified and must execute a tenant certification form at least annually or whenever a change in household income of \$200 or more per month occurs.

This temporary exception is effective January 1, 2023, and will expire on December 31, 2023.

The requirement that borrower must recertify for changes of \$50 per month, if the tenant requests that such a change be made, is still in effect.

This exception does not apply to, or change the requirements for, annual renewal certifications.

Agency Field staff will be advised to provide a copy of this notice to all borrowers and management agents. Through the provided notification, borrowers and management agents will

be instructed to provide a written copy of the notice to all tenants immediately, including posting the notice at each property.

Paperwork Reduction Act

The temporary exception to tenant recertification requirements contains no new reporting or recordkeeping burdens under OMB control number 0575-0189 that would require approval under the Paperwork Reduction Act of 1995 (44 U.S.C. Chapter 35).

Non-Discrimination Statement

In accordance with Federal civil rights laws and USDA civil rights regulations and policies, the USDA, its Mission Areas, agencies, staff offices, employees, and institutions participating in or administering USDA programs are prohibited from discriminating based on race, color, national origin, religion, sex, gender identity (including gender expression), sexual orientation, disability, age, marital status, family/parental status, income derived from a public assistance program, political beliefs, or reprisal or retaliation for prior civil rights activity, in any program or activity conducted or funded by USDA (not all bases apply to all programs).

Remedies and complaint filing deadlines vary by program or incident.

Program information may be made available in languages other than English. Persons with disabilities who require alternative means of communication to obtain program information (e.g., Braille, large print, audiotope, American Sign Language) should contact the responsible Mission Area, agency, or staff office; the USDA TARGET Center at (202) 720-2600 (voice and TTY); or the Federal Relay Service at (800) 877-8339.

To file a program discrimination complaint, a complainant should complete a Form AD-3027, *USDA Program Discrimination Complaint Form*, which can be obtained online at https://www.ascr.usda.gov/complaint_filing_cust.html, from any USDA office, by calling (866) 632-9992, or by writing a letter addressed to USDA. The letter must contain the complainant's name, address, telephone number, and a written description of the alleged discriminatory action in sufficient detail to inform the Assistant Secretary for Civil Rights (ASCR) about the nature

and date of an alleged civil rights violation. The completed AD-3027 form or letter must be submitted to USDA by:

(1) Mail: U.S. Department of Agriculture Office of the Assistant Secretary for Civil Rights 1400 Independence Avenue, Washington, D.C. 20250-9410; or (2) Fax: (833) 256-1665 or (202) 690-7442; or (3) Email: Program.Intake@usda.gov.

Jamal Habibi,

Acting Administrator,

Rural Housing Service.

[FR Doc. 2022-26434 Filed: 12/5/2022 8:45 am; Publication Date: 12/6/2022]